Retro-active Value Engineering Report (Design & Build Project)

1.0 Introduction

1.1 Background of the Project

1.2 Purpose of the Retro-active VE (Contractor's Initiative)

1.3 Objectives of the Report (Ensuring Fair Valuation and Recognition of Added Value)

1.4 Scope and Limitations

2.0 Project Overview

2.1 General Information (Employer, Contractor, Consultant, Funding, Duration)

2.2 Contractual Scope of Works (as per Design & Build Agreement)

2.3 Current Project Status (Physical Completion vs Financial Performance)

3.0 Methodology of the Retro-active VE

3.1 Review of Contract Documents (BOQs, Drawings, Specs, IPCs, Variation Orders)

3.2 Site Inspections and As-Built Validation

3.3 Stakeholder Engagements (Consultant & Employer)

3.4 Analytical Framework (Cost-Benefit, Lifecycle, Risk, and Functional Value)

4.0 Executed Works vs Invoiced Works

4.1 Tabulated Comparison (Contract vs Executed vs Invoiced)

4.2 Variance Analysis

4.3 Observations: Executed Value Not Fully Captured in Invoices

5.0 Additional Works Executed Beyond Original Design

5.1 Identification of Added Value Works (e.g., 1 km extension, drainage, rock cuts)

5.2 Technical and Functional Justification of Extra Works

5.3 Valuation of Extra Works (using Contract Rates / Agreed New Rates)

5.4 Recommendation: Recognition as Variations Payable to Contractor

6.0 Works in Contract but Not Executed

6.1 Identification of Omitted Works

6.2 Technical Assessment of Non-Critical Impact on Functionality / Service Life

6.3 Recommendation: Non-execution Does Not Reduce Overall Project Value

7.0 Value Assessment (Contractor's Contribution)

7.1 Added Value Provided to Employer (beyond design intent)

7.2 Cost-Benefit Balance of Executed vs Omitted Works

7.3 Lifecycle Advantages of Executed Works (durability, reduced maintenance)

7.4 Overall Positive Value Contribution by Contractor

8.0 Financial Reconciliation and Settlement Proposal

8.1 Summary of Adjusted Contract Value (Including Executed Additions)

8.2 Net Variations Favorable to Contractor

8.3 Proposed Final Account Settlement with Employer

8.4 Lessons for Improving Future Design & Build Payment Structures

Appendices

Appendix A: Detailed Reconciliation Tables (Excel Extracts)

Appendix B: Site Photographs (Executed Additions vs Contract Design)

Appendix C: Relevant Correspondence / Instructions / Approvals

Appendix D: As-Built Drawings vs Contract Design